October 15, 2010

California State Lands Commission
100 Howe Ave., Suite 100-South
Sacramento, CA 95825-8202
Submitted Via E-mail

Re: Comments on EIR No. 735, Public Draft Environmental Impact Report for the Chevron El Segundo Marine Terminal Lease Renewal Project

Dear Chair Chiang and Commissioners:

On behalf of Heal the Bay, Santa Monica Baykeeper, and Defenders of Wildlife, we respectfully submit our comments on the Draft Environmental Impact Report ("DEIR") for the Chevron El Segundo Marine Terminal Lease Renewal Project.[1] Although our specific comments are detailed below, we recommend that the final Environmental Impact Report ("EIR") include a more thorough analysis of project alternatives. Specifically, the DEIR does not identify or evaluate shorter lease terms, or seriously consider movement of vessel traffic to the ports or Pier 400 as a viable alternative. If a more thorough environmental analysis were completed, we believe the environmentally superior alternative will stand out and likely be associated with a 10-year lease and partial or complete vessel traffic diverted to the Port of Los Angeles/Port of Long Beach ("POLA/POLB"), including Pier 400. Therefore, we request that further evaluations be conducted on project alternatives in the final EIR, especially on Pier 400 options and shorter lease terms.

An oil spill in Santa Monica Bay is un-mitigatable and would be disastrous to the marine environment, the citizens who live and recreate on Los Angeles County beaches, our local economy and tourism, water quality, and the health of marine life. According to the DEIR, "there is a reasonable possibility that operation of the Marine Terminal offshore loading facilities during the 30-year lease period will cause an oil spill."[2] Due to the large risk involved with operating a Marine Terminal in Santa Monica Bay ("the Bay"), this project and its associated EIR should reflect careful and detailed research of environmentally superior alternatives as "such an oil spill could significantly affect the physical and biological environments" of Santa Monica Bay.[3] We have already seen the catastrophic effects of an oil spill earlier this year in the Gulf of Mexico – oil spills happen frequently, and Chevron's Marine Terminal does not have a perfect record. We cannot underscore the real risk of an oil spill in Santa Monica Bay, and how important it is for the California State Lands Commission ("CSLC") to thoroughly evaluate alternatives for this project and properly identify infrastructure and oil terminal technology that would minimize the risks.

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[1] California State Lands Commission *Public Draft Environmental Impact Report for the Chevron El Segundo Marine Terminal Lease Renewal Project*. State Clearinghouse No. 2006031091 CSLC EIR No. 735. August 2010
[2] CSLC EIR #735. **Page 3-3**
[3] CSLC EIR #735. **Page 3-3**

After evaluating the DEIR, we have concluded that granting a 10-year lease and requiring Chevron to further explore the option of moving its Marine Terminal vessels to the POLA/POLB and Pier 400 would be the environmentally superior option. An oil spill in the POLA/POLB would have a less severe impact on biological resources than a spill in Santa Monica Bay due to the abundance of sensitive marine resources and habitats that Santa Monica Bay supports. Capacity for rapid response to an incident is much better in the ports as well, due to the proximity of oil spill prevention and response infrastructure and fire response equipment. We understand that the Pier 400 oil terminal has not been built yet, but the project has already received the appropriate permits and gone through the California Environmental Quality Act ("CEQA") process. Pier 400 has an expected completion date in 10 years, by 2020; thus, a shortened lease for Chevron's Marine Terminal and negotiations for gradual movement of Chevron's vessel operations to the ports and Pier 400 should be a viable and environmentally superior alternative. We recommend that benchmarks be included in a 10-year lease term to encourage movement of oil tankers associated with the Chevron Marine Terminal to the POLA/POLB and Pier 400.

1. Shorter lease terms should be evaluated in the Final EIR.

We recommend that the CSLC consider shorter lease terms for the proposed renewal project, specifically the environmental merits of a 10-year lease term instead of a 30-year lease. The basis used for granting a 10-year lease instead of 30-year lease for this project stems from (1) uncertainties with marine terminal throughput operations beyond 10 years[4]; (2) that vessel calls could increase as much as 40% by 2040[5]; (3) the previous lease term issued for the Chevron Marine Terminal was half as long as the proposed renewal project; and (4) the proposed lease terms include replacement and maintenance of pipelines[6], which will likely require replacement or significant work and associated significant environmental impacts. Through a 10-year lease renewal term, advances in oil terminal technology could be included in future lease terms as oil terminal science advances and more is known on the prevention, response, and impacts of marine terminals, oil spills, and oil spill response efforts. In addition, a 10-year lease term would allow Chevron to update their oil spill prevention and response plans after lessons have been learned and evaluated from the Deepwater Horizon oil spill. A shorter lease term would also give the CSLC, Chevron, and NOAA the opportunity to better evaluate trends in vessel calls to the Marine Terminal, as well as the environmental impact of any increase in vessel traffic at the Terminal and Santa Monica Bay, especially the impact on marine mammals.

The DEIR project description states that beyond 5-10 years, predicting future throughput increases at the Marine Terminal is speculative:

> "The Applicant indicates in their Application that '*Based on recent trends, it is estimated that [Marine Terminal] throughput may increase from present levels by 1 percent per year during the next 5 to 10 years. Beyond the 10 year period, predicting throughput becomes more speculative. It is possible that a 1 percent per year increase in throughput could*

[4] CSLC EIR #735. **Page 2-30**
[5] CSLC EIR #735. **Page 2-30**
[6] CSLC EIR #735. **Page 2-31**

> *continue over the proposed 30-year lease period, although actual values may vary from year to year*.'"[7]

Due to the uncertainty identified by the Applicant beyond 5-10 years, and included in DEIR Section 2.5.1, Future Operations, we suggest that the CSLC approve a lease term no longer than 10 years in order to properly evaluate environmental impacts associated with increasing throughput activity.

The projected increase in vessel traffic to the Marine Terminal also warrants a shorter lease term in order to better evaluate environmental impacts associated with the Terminal. According to DEIR Section 2.5.1, Future Operations, "vessel calls could increase as much as 40 percent more than 2006 baseline operations (347 vessels calls) to 487 vessel calls per year by 2040."[8] The basis for the projections of increased vessel calls to the Marine Terminal is unclear in the DEIR. However, a 40% increase in vessel traffic is substantial, and the associated environmental impacts to marine resources and increased pollution created by increases in vessel traffic in Santa Monica Bay are significant. We recommend that the final EIR better substantiate projections for increase vessel calls to the Marine Terminal and re-evaluate the environmental impacts of increased vessel traffic in 10-year increments (rather than 30 years) through a shorter lease term. In addition, we recommend that a cap be placed on the amount of Marine Terminal vessels allowed within Santa Monica Bay, as environmental impacts and risks of oil spills also increase with each additional oil tanker in the Bay.

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Regarding our third point in support of a shorter lease term, the previous lease term for Chevron's El Segundo Marine Terminal was "for a period of 15 years with three successive periods (extensions) of 10 years each."[9] The Marine Terminal has not been granted a 30-year lease in its history, and should not be granted such a long one now either, especially with the old age of the Marine Terminal's infrastructure and increased risk as the Terminal continues to age. For instance, the structural integrity of grafted pipelines (which exist at the Marine Terminal) is a real risk, especially since Chevron's pipelines are not regularly evaluated through smart-pigging, which may be especially important when there is a planned increase in throughput pressure.[10] As the pipelines continue to age, small pipeline leaks may result in the release of non-natural oil product to the Bay.

The merit of a shorter lease term is also supported by the necessity for repair and maintenance activities associated with the Terminal's seafloor pipelines, manifolds, hoses, and moorings.[11] Chevron's Marine Terminal was built in 1911[12] and needs maintenance and replacement of infrastructure and pipelines in the near future. According to the DEIR, the project's lease terms include replacement of existing pipelines and other facilities that may occur during the lease term for maintenance purposes. Pipeline replacement would involve construction of new pipelines, transport to the offshore site via barge, removal of existing

[7] CSLC EIR #735. **Page 2-30**
[8] CSLC EIR #735. **Page 2-30**
[9] CSLC EIR #735. **Page 2-4**
[10] CSLC EIR #735. **Page 2-10**
[11] CSLC EIR #735. **Pages 2-30 - 2-31**
[12] CSLC EIR #735. **Page 2-4**

pipeline segments, and installation of the new pipelines.[13] By granting a lease longer than 10 years that includes pipeline replacement, CSLC is running a serious environmental risk to Santa Monica Bay beaches and our fragile marine environment. We suggest that the CSLC consider a shorter lease term in order to evaluate the environmental impacts of major infrastructure updates, in addition to assessing Chevron's infrastructure and requiring more frequent and thorough examination of pipe integrity in order to minimize environmental risks. We suggest that the CSLC require that major pipeline construction be brought back to the CSLC for review.

A final suggestion relative to the projected increase in Chevron's vessel traffic to the marine terminal is that the lease fees should be re-evaluated at shorter time increments in order for CSLC to adjust the lease fees in relation to oil volume in and out of the terminal and current value of the leased land and adjacent resources. Since increases in oil throughput and vessel traffic raise the environmental risk, CSLC's lease fees and terms should reflect the increased risk.

2. A more thorough evaluation of Marine Terminal vessel relocation to the POLA/POLB should be provided in the final EIR.

If vessel operations were to move to the POLA/POLB, especially to Pier 400, the "biological impacts of a spill at the POLA/POLB would be less than the impacts of a spill at the Terminal because of enclosed loading areas and ease of containment within the POLA/POLB."[14] Since oil spills in Santa Monica Bay are virtually un-mitigatable and the environmental and economic effects are so significant, the final EIR should seriously consider environmentally superior alternatives- specifically movement of vessel traffic and oil product exchange operations to the ports since "spills within the ports would still be significant, but they would be potentially less severe."[15]

The Pier 400 oil terminal project in the POLA/POLB has already gone through the CEQA process, and construction is scheduled to be complete in 10 years. In relation to the Marine Terminal, Pier 400 is environmentally superior and has better spill risk reduction operations. It has "features to reduce air emissions, including alternative marine power (cold ironing), shore-side pumping that reduces the need for vessels to generate power to operate vessel cargo pumps, low sulfur fuel requirements, and vapor recovery."[16] In addition to infrastructure design, one of the important safety features at Pier 400 is that "oil spill booms [are] deployed during tanker offloading operations."[17] Pier 400's state-approved design and infrastructure could minimize the enormous oil spill risk Chevron's Marine Terminal and lightering operations currently have in Santa Monica Bay and greater southern California waters. In fact in Section 4.3, the DEIR states that "operational and Port required practices to reduce and contain spills, including booming of tankers while in port are already compulsory" which is much more than Chevron's Marine

[13] CSLC EIR #735. **Page 1-3**
[14] CSLC EIR #735. **Page 3-9**
[15] CSLC EIR #735. **Page 3-9**
[16] CSLC EIR #735. **Page 3-17**
[17] CSLC EIR #735. **Page 3-17**

Terminal requires.[18] Although this option is not considered the environmentally superior option because it has not been built yet and the DEIR states that feasibility is "somewhat unknown," the option does not appear fully researched.[19] Upon initial contacts we made with port authorities, we learned that Pier 400 and the ports would likely have enough capacity for Chevron's oil tankers and the oil refined at Chevron, however Chevron has not been interested in potential agreements, but that port authority staff would welcome negotiations between Chevron and the POLA/POLB. We suggest that the CSLC and Chevron further examine this option as a target associated with a shortened lease to Chevron, as it could be the environmentally superior alternative.

A. The POLA/POLB is better equipped to handle the increasing amount of large and very large tankers

One of the biggest advantages of using Pier 400 rather than the Marine Terminal is that Very Large Crude Carriers ("VLCC") can use Pier 400, whereas they cannot moor at the Marine Terminal. According to Table 2-2, large tanker calls at Chevron's Marine Terminal are increasing each year, where small tanker calls are decreasing.[20] This shows the need for oil terminals to be able to handle large and very large tankers. "More than 50 percent of the crude oil received at the Marine Terminal is from the Middle East, which is generally transported in very large crude carriers or ultra large crude carriers ("ULCC")."[21] Chevron's Marine Terminal cannot accommodate these vessels; in order for Chevron's Marine Terminal to receive crude oil from VLCC and ULCC vessels, the risky operation of lightering must be used, where "VLCC and ULCC remain offshore and offload batches of crude oil into smaller tankers."[22] If these VLCC and ULCC vessels went straight to Pier 400, which is designed to handle tankers of these sizes, oil spill risks associated with lightering off the Southern California bight and mooring in Santa Monica Bay could be drastically reduced.

B. Relocation to the POLA/POLB would reduce vessel traffic along the southern California coast

If Chevron were to move some or all its vessel traffic to the POLA/POLB, vessel traffic along the southern California coast would be reduced, and therefore the associated environmental impacts of vessel traffic on air pollution, biological resources, and oil spill risks would be reduced. When tankers arrive early to Chevron's Marine Terminal, they are "divert[ed] to the Federal mooring locations (see Figure 2-2) or the Port of Los Angeles (POLA) or Port of Long Beach (POLB) and anchor there to wait and handle cargo and stores. They only move to the Marine Terminal after the mooring is open and they may proceed directly to berth."[23] Many of the vessels that call on Chevron's Marine Terminal also stop in the ports; if those vessels could simply call to one terminal (at the ports) to do all their transfers, air pollution, noise pollution, marine mammal strikes, and oil spill risks would be reduced. Therefore, the DEIR should reflect the environmental impacts of diverted vessel traffic in the discussion of alternatives, as that vessel traffic

[18] CSLC EIR #735. **Page 4.3-140**
[19] CSLC EIR #735. **Page 3-18**
[20] CSLC EIR #735. **Page 2-19**
[21] CSLC EIR #735. **Page 2-22**
[22] CSLC EIR #735. **Page 2-22**
[23] CSLC EIR #735. **Page 2-11**

would be reduced if tankers were to go directly to the POLA/POLB terminals, rather than both the ports and Chevron's Marine Terminal, or the federal moorings and the Marine Terminal. In addition, many "refinery products sent through the Marine Terminal are delivered by vessel to the Los Angeles and Long Beach Harbors."[24] The DEIR does not state how much of these refinery products are delivered to the ports, or how many vessels are used. The amount of refined product delivered to the ports from the Marine Terminal and their associated environmental impacts should be discussed and evaluated in the final EIR.

In addition to the oil spill risks associated with lightering, by allowing Chevron to use the Marine Terminal in Santa Monica Bay rather than the POLA/POLB like other oil companies, more vessel traffic is created along the Los Angeles coast. In fact, for each VLCC that lighters, there is an "average rate of 1.87 Marine Terminal calls per VLCC."[25] Instead of creating greatly increased vessel traffic in southern California, the VLCCs and ULCCs could be directly offloaded at the POLA/POLB, specifically at Pier 400. The DEIR also states "from lightering vessels, not all the oil is discharged at the Marine Terminal. Sometimes, only part of the cargo from the VLCC and ULCC is offloaded and delivered to the Marine Terminal and some of the cargo may be offloaded and delivered to POLA/POLB terminals operated by other companies."[26] Many oil tankers currently transfer partial loads to Chevron's Marine Terminal and the POLA/POLB, in turn making two separate calls along the Los Angeles County coast. If Chevron's vessel traffic were instead diverted to the ports, these vessels would only need to go to one terminal, which would decrease vessel traffic and decrease the environmental effects of oil tanker operations along our coast. The final EIR should explicitly examine the environmental impacts associated with lightering and vessels diverting to two different locations, Chevron's Marine Terminal and the ports, which we believe would support diversion of all vessel traffic to the POLA/POLB as the environmentally superior operation. In addition, early arrivals to Chevron's Marine Terminal often must divert to the POLA/POLB until moorings in the Bay open and they can go to Chevron's Marine Terminal in Santa Monica Bay.[27] Again, if these vessels were to just make one call, to the POLA/POLB, then vessel traffic along the Los Angeles County coast would decrease.

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C. Relocation to the POLA/POLB would improve oil spill response time

Another reason relocation of oil vessels to the ports would be advantageous is that the oil spill response time is shorter in the POLA/POLB than at Chevron's Marine Terminal. Although Chevron has oil spill response teams, they would take 3.5 and 7.5 hours minimum to reach the Marine Terminal.[28] If risky vessel operations were moved to the POLA/POLB where bigger spill response vessels and fire boats are located, oil spill response time would be far shorter and safety risks would be reduced due to the port's infrastructure.[29]

[24] CSLC EIR #735. **Page 2-22**
[25] CSLC EIR #735. **Page 2-23**
[26] CSLC EIR #735. **Page 2-23**
[27] CSLC EIR #735. **Page 2-20**
[28] CSLC EIR #735. **Page 2-27**
[29] CSLC EIR #735. **Page 2-29**

Relocation of oil vessels to the POLA/POLB should be more thoroughly evaluated as an option in the final EIR (we also recommend CSLC staff to discuss this option with port authorities.) If Chevron's Marine Terminal lease was limited to 10 years, then benchmarks for systematic planning to relocate Chevron's vessel traffic to the POLA/POLB could be incorporated into the lease, including negotiations with POLA/POLB, specifically regarding Pier 400. This solution would benefit the environment and the citizens of Southern California, while taking advantage of new, updated oil tanker infrastructure at Pier 400 instead of using outdated Chevron's outdated Marine Terminal.

3. Project alternatives should be more thoroughly evaluated and considered

Some potentially environmentally superior alternatives in the DEIR are either eliminated from full evaluation, or not seriously considered, due to safety risks and/or the uncertain and speculative infeasibility of using land or port-based infrastructure.[30] We believe the DEIR fails to provide adequate justification for eliminating these alternatives from review. We recommend that the CSLC take another, more detailed look at the feasibility of consolidating operations with other terminals (especially those in the POLA/POLB), and evaluate the safety risk of Chevron's current land-based pipeline use if additional or retrofitted pipelines are evaluated and dismissed due to safety concerns.

Chevron currently uses land-based pipelines in their refinery and marine terminal operations.[31] However, the DEIR dismisses any evaluation of using land-based pipelines as an alternative to its Marine Terminal due in part to safety risks to adjacent communities, even though Chevron currently uses land-based pipelines to transport product to and from the El Segundo Refinery. We understand the safety concerns associated with land-based piping of oil product; however, current and proposed future land-based piping efforts should be evaluated in a consistent fashion. In the Project Background, Section 2.2, the DEIR states that "refined products are primarily sent out by pipeline (85 percent) and truck and rail. A small percentage (approximately four percent) is sent out through the marine terminal."[32] If such a high percentage of Chevron's refined products are transported in pipelines already permitted and in use, then transferring some of Chevron's Marine Terminal vessel traffic to the POLA/POLB via land-based pipeline wouldn't pose any different risk to communities, and should be evaluated in the final EIR. In the evaluation of this option, potential environmental justice issues should also be researched, as should an assessment of infrastructure needs for port-based alternatives. What infrastructure is needed to consider the alternative of moving vessel traffic to the ports?

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4. Alternative 3.2.5, Consolidation with Other Terminals, should be fully-evaluated in the Final EIR.

In the DEIR's short consideration and elimination of alternative 3.2.5, Consolidation with Other Terminals, terminals in the POLA and POLB are posed as possible locations for Chevron's vessel traffic. However, this option is inadequately considered, with limited discussion and use of a single reference (California Energy Commission) for its dismissal. There is no reference to specific terminal options even though it is stated that "there is some spare incremental crude oil import capability for marine berths in the San Pedro

[30] CSLC EIR #735. **Page 3-8**
[31] CSLC EIR #735. **Page 2-4**
[32] CSLC EIR #735. **Page 2-4**

Harbor."[33] The possibility is downplayed as an alternative because "it is unlikely that these facilities could operate at theoretic maximum throughput levels" without any specific information on Chevron's needs and available capacities.[34] In addition, this option only considers existing berths, and does not consider Pier 400. From our initial and limited outreach to the POLA/POLB, we found that Pier 400 could potentially house all of Chevron's vessel operations, but Chevron has just not been interested in exploring that opportunity further. The CSLC should do further research in this area, exploring the real viability of the existing berth capacity in the port AND Pier 400, to inform the alternatives analysis in the final EIR. This information could lead the CSLC to consider partial consolidation to other terminals, in addition to a shorter lease term with the goal of transitioning Chevron's vessel operations to Pier 400 in 10 years.

In addition the lack of research done on terminal infrastructure at the ports, it appears that consolidation with the port terminals is not evaluated in the DEIR because "operating private marine oil import terminals in a purely cooperative and coordinated manner is unlikely due to the competitive nature of the petroleum industry and potential anti-trust regulatory concerns." This should not be a reason to drop an alternative from evaluation. Chevron's current project renewal should not just be approved because it is the easiest route for the company to take. Companies work together on oil spill response, so Chevron could partner on infrastructure needs and management. HTB-4

Regarding safety and refinery products (such as gasoline), according to the DEIR, "transporting Refinery products by pipeline, with high flammability potential, would introduce safety issues as pipelines pass through populated areas."[35] However, as stated earlier in the DEIR, all but 4% of refinery products are already transported via pipeline, truck, and rail. Would moving the remaining 4% of refined products into land-based pipelines rather than seafloor-based pipelines be such an additional safety risk? More discussion is needed on safety and any potential environmental justice concerns in this section. According to table 4.1.3, many of the oil spills Chevron has had in Santa Monica Bay have been from refinery products, such as gasoline.[36] Therefore, when considering consolidation with other terminals or limitations on terminal use, the safety factor should not be strong enough to drop an alternative.

5. Alternative 3.2.6, Limitations on Terminal Use, should be fully-evaluated in the Final EIR.
Alternative 3.2.6 assesses alternatives that limit the Marine Terminal's import or export operations, by moving some to the POLA/POLB.[37] One option of this alternative that merits full evaluation is the limitation on importing only crude through the Marine Terminal, because it would "decrease the risk of product spills at the Marine Terminal since no products would be transported through the Marine Terminal."[38] If any of Chevron's vessel operations were to move to the POLA/POLB, the "biological impacts of a spill at the POLA/POLB would be less than the impacts of a spill at the Terminal because of enclosed

[33] CSLC EIR #735. **Page 3-8**
[34] CSLC EIR #735. **Page 3-8**
[35] CSLC EIR #735. **Page 3-8**
[36] CSLC EIR #735. **Page 4.1-24 – 4.1-26**
[37] CSLC EIR #735. **Page 3-8**
[38] CSLC EIR #735. **Page 3-9**

loading areas and ease of containment within the POLA/POLB."[39] Since oil spills are virtually un-mitigatable and the environmental and economic effects are so significant, the final EIR should seriously consider this alternative since "spills within the ports would still be significant, but they would be potentially less severe."[40] Although the DEIR states that consolidation to the ports would "increase air emissions and slightly increase the risk of spills" in the ports, this statement deserves a more thorough discussion and additional research, as many of Chevron's vessels already travel to the ports to wait for berths in the Bay to open for exchange or deliver oil product. Therefore, would air emissions from Chevron El Segundo Refinery related vessel travel to the POLA/POLBs necessarily be increased? Furthermore, Pier 400 was approved with strict air emissions controls and a predetermined vessel capacity; if Chevron Marine Terminal vessel traffic was routed to Pier 400 in the future, would air emission impacts be any different than have already been evaluated under this already approved project? In addition, if safety risks are the main reason for elimination of this alternative, why are the other "risky" land-based pipelines that Chevron currently uses acceptable? These considerations and questions should be fully evaluated in the final EIR as a thorough assessment of Alternative 3.2.6.

The other option for limiting terminal use would be to only export refinery products through the Marine Terminal, and have crude oil go through the POLA/POLB pipelines to the El Segundo Refinery. Just as the refinery currently does for 20% of their crude oil, the "refinery would necessarily obtain crude oil from the POLA/POLB terminals via pipeline or from existing offshore fields via pipeline and railroad."[41] This option should be fully evaluated as a viable alternative as it "decrease[s] the risk of crude spills at the Marine Terminal" and therefore limits the potentially disastrous effects of having an oil spill in Santa Monica Bay.[42] Although the DEIR says that the, "feasibility of permitting these pipelines is speculative and approval by relevant jurisdictions could take several years," this could be a viable option if efforts to use these pipelines were thoroughly researched.[43] Although the DEIR states that, "it is possible that existing pipelines could transport crude oil from the ports," the option is not seriously considered because the "pipelines would likely require modification to handle heavier crudes."[44] Since modification and maintenance is also part of the proposed project, these factors should not influence the feasibility of this option, and the final EIR should seriously consider this option. We understand the safety tradeoffs with this option, the DEIR states that there would be an "increased hazard associated with transporting petroleum products via pipeline;" however much of Chevron's current Marine Terminal and refinery operations currently transport crude oil and petroleum products, so this should not be a factor in eliminating the option from evaluation. The DEIR further states that the "types of crude available to the Refinery from the existing terminals in the POLA/POLB are limited. Therefore, this alternative is eliminated from further consideration in the EIR."[45] It does not appear that the existing terminals' crude capacity and type were adequately researched. Pier 400 is not considered an option for crude exchange within this

HTB-5

[39] CSLC EIR #735. **Page 3-9**
[40] CSLC EIR #735. **Page 3-9**
[41] CSLC EIR #735. **Page 3-9**
[42] CSLC EIR #735. **Page 3-9**
[43] CSLC EIR #735. **Page 3-10**
[44] CSLC EIR #735. **Page 3-10**
[45] CSLC EIR #735. **Page 3-10**

option, and if the DEIR were to consider shorter leases with benchmarks to negotiate and gradually move operations to Pier 400, the new infrastructure would likely be able to accommodate the volume and types of crude Chevron's refinery needs. Export only evaluations for the Marine Terminal should be further evaluated in the final EIR to address these questions and considerations.

6. Additional options should be considered, such as moving Chevron's oil tankers to Pier 400 coupled with a 10-Year lease of the Marine Terminal, as the environmentally preferred alternative

In addition to a shortened lease term, another alternative should be considered in the final EIR - that all Chevron's oil tankers be moved to Pier 400, not just the VLCCs. If relocation of Chevron's vessel traffic were coupled with a limited 10-year lease to Chevron's Marine Terminal, then negotiations with POLA/POLB, specifically in regards to Pier 400, could be completed as a part of the 10-year lease. This solution would benefit the environment and the citizens of Southern California, while taking advantage of new, updated oil tanker infrastructure at Pier 400 instead of using an outdated Marine Terminal. We recommend that the final EIR take into consideration this alternative option with a full evaluation, including an assessment of environmental justice concerns and what infrastructure would be needed. Although the DEIR states environmental justice safety concerns as the reason only light crude oil (VLCC traffic) would be an option in Pier 400, this reasoning is not strong enough to ignore the alternative of moving all Chevron's vessel traffic to Pier 400. As previously mentioned, Chevron currently uses land-based pipelines for their refinery and marine terminal operations, which already pose environmental justice concerns. Furthermore, environmental justice and community impacts were evaluated in the CEQA process for the Pier 400 oil terminal. Incorporating the Chevron El Segundo Refinery import and export of materials to Pier 400 should not result in any net change in volume of oil product transferred that was already planned for the Pier 400 facility. Furthermore, shifting vessels to Pier 400 would reduce risk associated with some safety issues of concern associated with oil transfer operations. The DEIR states that it would "present a reduction in fire and explosion risk since the POLA currently requires the use of inert gas for all vessels."[46] We recommend environmental justice concerns associated with this alternative be evaluated in the final EIR.

Through a review of the comparison of different alternatives, we find that the DEIR's statements do not identify an environmental superior alternative, although we believe there is one. We suggest that the Pier 400 alternative should be identified as the environmentally superior option for a multitude of reasons. Overall, we agree with the DEIR that "the Pier 400 alternative would take advantage of infrastructure developments by the POLA to reduce air emissions and measures instituted in ports to contain and reduce the impact of oil spills."[47] We disagree with the assertion that the Pier 400 option cannot be considered the environmentally superior alternative because its use is speculative and "the feasibility of using the Pier 400 facility is somewhat unknown because the facility is not in operation."[48] We understand that the DEIR does not consider Pier 400 as a feasible alternative for immediate use since it is not yet built; however, we urge the CSLC to evaluate it as a paired alternative with a shortened 10-year lease term for the Marine

[46] CSLC EIR #735. **Page 3-30**
[47] CSLC EIR #735. **Page 3-31**
[48] CSLC EIR #735. **Page 3-32**

Terminal. Pier 400's EIR has already been certified and it is our understanding that the project already has the necessary permits and is set to start construction this year. Therefore, we believe that this alternative should be considered the environmentally superior option, and will be a feasible option when combined with a shortened 10-year lease to Chevron's Marine Terminal.

Moving Chevron's vessel traffic to Pier 400 and the ports would result in a "reduction of spill risk since fewer vessels would visit the Marine Terminal, which would result in a net decrease in spill effects on aesthetics, biology, and recreation."[49] These are not insignificant reductions. In fact, in Section 3.4.4., it is acknowledged that although oil spills at Pier 400 would still be significant, "it would be less severe impact on biological resources than a spill at the open-ocean Marine Terminal location."[50] In addition, Pier 400 uses enclosed berths where vessels are completely boomed during unloading. This is an important and key activity that if there were an oil spill, it would have a less severe impact on biological resources than a spill in Santa Monica Bay.

Not only would the use of Pier 400 reduce the risk of oil spills compared to the Marine Terminal, but it would also reduce the risk of fires and explosions, and have access to better fire response infrastructure. One of the reasons Pier 400 is environmentally superior is because shifting vessels to Pier 400 would "present a reduction in fire and explosion risk since the POLA currently requires the use of inert gas for all vessels."[51] In addition, fire boats are located in the POLA and POLB, and would take hours to reach the Marine Terminal.[52]

We disagree with the claim in Section 3.4.4 that by moving VLCC vessel traffic to Pier 400, "impacts on air quality would be similar to the proposed Project."[53] This statement is refuted in the same paragraph in the DEIR when it states that, "emissions of GHG would be less than the proposed project as fewer vessels would visit the Marine Terminal/Pier 400 and some vessels would be able to utilize the POLA emission reduction features."[54] However, we agree that there would be a reduction in oil spill effects on aesthetics, biology, & recreation as well as a reduction in health risks associated with diesel emissions and a reduction in severity of the impacts associated with a geological event if the Marine Terminal operations were shifted to the POLA/POLB.[55]

HTB-6

After a thorough analysis of the merits of using Pier 400, the DEIR states that "any of these [options] … could be the environmentally superior alternative."[56] However, a thorough analysis of alternatives, including analysis of environmental justice concerns and infrastructure needs, will likely lead to the conclusion that Pier 400 is the environmentally superior alternative. In fact, in Section 3.5.2, Pier 400's

[49] CSLC EIR #735. **Page 3-30**
[50] CSLC EIR #735. **Page 3-31**
[51] CSLC EIR #735. **Page 3-30**
[52] CSLC EIR #735. **Page 2-29**
[53] CSLC EIR #735. **Page 3-31**
[54] CSLC EIR #735. **Page 3-31**
[55] CSLC EIR #735. **Page 3-31**
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